

027 - CHILD SUPPORT SERVICES

Operational Summary

Mission:

To enhance the quality of life for children and families by establishing and enforcing court orders for the financial and medical support of children in an effective, efficient and professional manner.

Strategic Goals:

- The following three goals have been established to align with the State Department of Child Support Services' performance expectations:
- 1. Increase net distributed collections by 2.0%
- 2. Increase percent of collections on current support to 53.9% 3. Increase percent of cases with arrears collection to 62.0%

Key Outcome Indicators:

Performance Measure	2003 Business Plan Results	2004 Business Plan Target	How are we doing?
PATERNITY ESTABLISHMENT PERCENTAGE What: Measures the percentage of children in the caseload for whom paternity was established. Why: Paternity establishment is a prerequisite to establishing a medical/monetary child support order.	For FY 02/03, CSS achieved a 12% increase in performance in this measure. Paternity has been established for 83.2% of the children in the caseload born to unmarried parents. This was due primarily to staff's critical review and monitoring of case actions.	CSS will strive to improve casework efficiency and is forecasting a 2% increase in the paternity establishment percentage to achieve an overall percentage of 84.9%	CSS continues to exceed the Federal Performance Standard of 50% with an establishment percentage of 83.2%.
CASES WITH A SUPPORT ORDER ESTABLISHED What: Measures the percentage of cases with an order established for child support. Why: An order must be established before support can be collected.	Court orders have been established for 77.1% of the cases requiring support orders.	Increase the percentage of cases with a child support order by 2%	Percentages have stabilized, but CSS continues to exceed the Federal Performance Standard of 50% by establishing a support order in 77.1% of the cases requiring support orders.
COLLECTIONS ON CURRENT SUPPORT What: Measures the amount collected for current child support as a percentage of the total amount due. Why: Collection of current support enables a family to meet basic living and medical needs.	For FY 02/03, CSS achieved 8% growth in this measure, collecting 50.4% of current child support.	Increase collections on current support to achieve an overall percentage of 53.9%	CSS exceeded the 40% minimum Federal Performance Standard by achieving 50.4% of collections on current support due. This is a result of efforts at targeted projects, case cleanup and the establishment of reasonable orders, along with the impact of the ARS child support system.

At a Glance:

Total FY 2003-2004 Projected Expend + Encumb:	57,903,306
Total Recommended FY 2004-2005 Budget:	59,632,466
Percent of County General Fund:	2.41%
Total Employees:	753.00

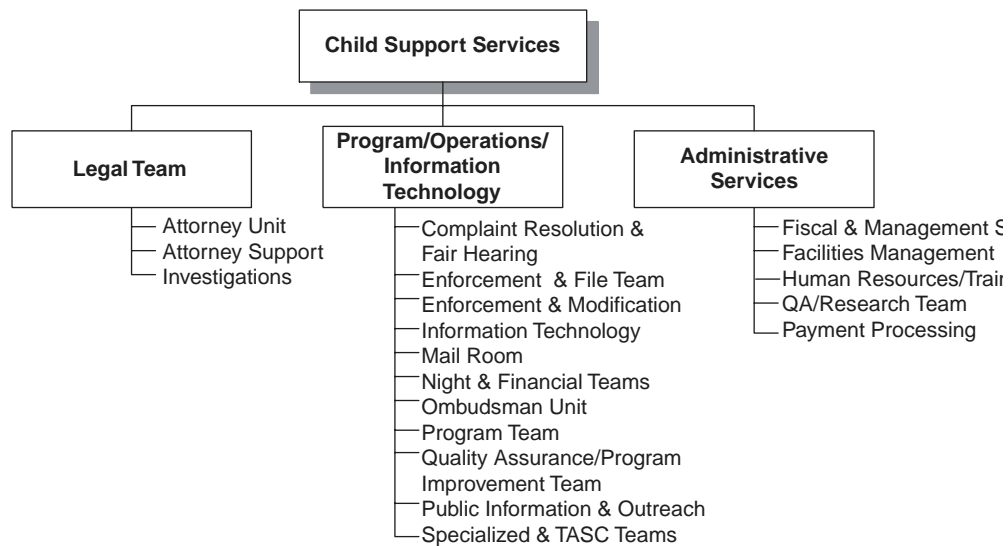
Key Outcome Indicators: (Continued)

Performance Measure	2003 Business Plan Results	2004 Business Plan Target	How are we doing?
CASES WITH ARREARS COLLECTIONS What: Measures the percentage of cases with past due child support in which some collection was made. Why: As with current child support, payment on arrears provides a family with income to meet basic needs.	CSS collected on 60% of cases that have child support arrears owed, a 4% growth in FY02/03. This was due to projects focused on collecting the arrears, and considering personal finances of the non-custodial parent; upon a verified change in circumstances, the court is modified.	Increase the percentage of cases with collections on arrears by 2%	CSS exceeds the Federal Performance Standard of 40% by collecting from 60% of cases that have child support arrears owed. CSS will continue to partner with non-custodial parents to improve working relationships, reduce past due amounts by establishing financially appropriate orders.

FY 2003-2004 Key Project Accomplishments:

- Net distributed collections increased from \$165.4 million in FY 2001-02 to \$167.1 million in FY 2002-03.
- CSS achieved an overall compliance rating of 90.2%, exceeding the state and federal requirements of 80% compliance in the areas of case review, expedited process, and program administration.
- Orange County has led the five largest California counties in collections on current support for the past five fiscal years.
- Non-custodial parent (NCP) enrollments increased by 150% in employment-based services over FFY 01/02.
- A customer survey realized a 95.5% overall satisfaction with CSS services.
- Web page visits averaged 5,200 to 6,500 per day at 6 1/2 to 7 1/2 minutes in length.
- Repeat visits to the web page saved CSS staff more than 1,400 hours in person-to-person contact and postage to thousands of individuals per month.
- Over 11,000 file folders were distributed to customers as an aid for their record keeping.
- FFY 01/02 to FFY 02/03, the total percent of orders established by default was reduced by 42%.
- A simplified non-welfare application was developed and implemented on 6/17/03, increasing applications by 18.6% through September 2003.
- The on-line Learning Resource Center was released to staff on 9/30/03.
- "Pick up the Phone" concept was implemented. CSS staff initiated contact with customers to establish a positive working relationship, resulting in \$107,493 being collected.

Organizational Summary

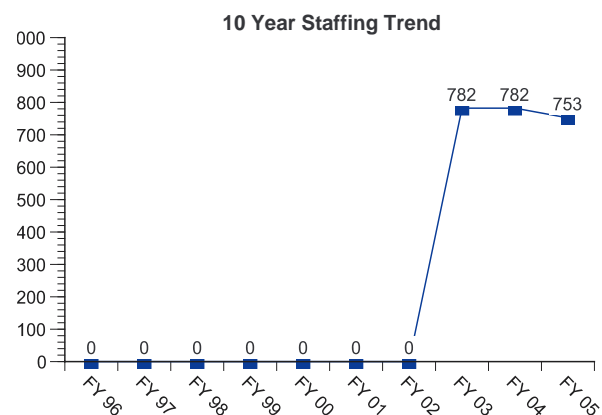


DEPARTMENT OF CHILD SUPPORT SERVICES - PROGRAM/OPERATIONS - This division is responsible for the opening, establishment, modification and enforcement of child support orders. Case management staff serve as primary customer service representatives and take administrative enforcement actions that do not require court intervention. This division also provides computer technical support, systems applications, and systems security. Realignment dictated by the conversion to a new child support system and business practices have made it necessary to include Information Technology under this division for FY 2003-04.

LEGAL TEAM - This division provides legal guidance and advice associated with family support. Legal staff handle all matters that go before the court, including obtaining court orders to establish paternity and financial child support, modification of existing child support orders, and civil enforcement actions.

ADMINISTRATIVE SUPPORT SERVICES - This division handles the accounting and distribution of child support payments and provides administrative support and training for the department. Support services includes budget/fiscal, purchasing, human resources, management services, research, facilities management, as well as, training resources to address the department's broad range of training needs.

Ten Year Staffing Trend:



Ten Year Staffing Trend Highlights:

- CSS received a state funding reduction of 6.2% for FY 03-04 that included a 19.8% reduction in the categorical funding known as EDP that can only be spent for Information Technology (IT) staffing, services and equipment. An overall IT Workforce Cost Reduction Plan was

implemented. The Plan severely cut overtime expenses, reduces 28 IT positions (eliminating all IT Extra Help and some full-time positions), and assigns oversight of the Information Technology staffing and operations to CEO/IT through a Memorandum of Understanding.

- To further reduce costs, CSS took the following measures: implemented a hiring freeze effective January 2003, reduced the Extra Help workforce by more than one-half, basically eliminated staff overtime except due to critical situations, and offered the reduction of part-time (20 hours) status to interested full-time staff.
- The County Executive Officer approved the restructuring of the upper management of CSS. Two Assistant Deputies were added to reduce the Chief Deputy's span of control and create a career/succession ladder within Program - Operations.

Changes Included in the Recommended Base Budget:

The Federal and State Allocation for CSS is expected to decrease from the FY 03-04 level of \$55.7 million to \$53.5 million in FY 04-05. Significant reductions in services and supplies have been adjusted to FY 04-05 giving priority to necessary operational and administrative costs associated with core business functions. CSS has included \$3 million in trust fund and subvention revenue in the budget submittal to offset one-time purchases in FY 04-05.

Included in the FY 04-05 budget request are appropriations for the Federal Automation Penalty assessed to the State by the Federal government for not implementing a statewide child support computerized system. Orange County's share of the Federal Automation Penalty for FY 04-05 is estimated to be \$4.3 million.

Budget Summary

Plan for Support of the County's Strategic Priorities:

The Department of Child Support Services does not have any projects defined as Board Strategic Priorities. The CSS 2004 Strategic Financial Plan forecast reflects a 5% reduction in FY 04-05. CSS strives to improve efficiency and responsiveness while maintaining costs within our 100% State and Federal funding in order to avoid impacting net county costs.

Proposed Budget and History:

Sources and Uses	FY 2002-2003 Actual	FY 2003-2004 Budget As of 3/31/04	FY 2003-2004 Projected ⁽¹⁾ At 6/30/04	FY 2004-2005 Recommended	Change from FY 2003-2004 Projected	
					Amount	Percent
Total Positions	-	753	753	753	0	0.00
Total Revenues	57,807,644	58,948,566	55,846,571	56,941,347	1,094,776	1.96
Total Requirements	55,485,459	61,448,566	57,937,904	59,632,466	1,694,562	2.92
Net County Cost	(2,322,185)	2,500,000	2,091,333	2,691,119	599,786	28.68

(1) Requirements include prior year encumbrances and expenditures. Therefore, the above totals may not match FY 2003-2004 projected requirements included in "At a Glance" (Which exclude these).

Detailed budget by expense category and by activity is presented for agency: Child Support Services in the Appendix on page 456.

Highlights of Key Trends:

- Orange County has continued to meet or exceed Federal Performance Measures in paternity establishment percentage, percent of cases with a support order established, percent of collections on current support, and percent of cases with arrears collections. The success of CSS plays a key role in assisting families achieve and maintain self-sufficiency.
- CSS has sustained increases in overall collections, in collections per case, and in cases that require the establishment of paternity and court orders. CSS also strives to ensure that quality assurance and program improvement are integrated into the services provided.
- Due to budgetary reductions and restrictions, CSS will face significant resource and performance challenges in FY 04-05. The most significant challenges will involve the realignment and restructuring of services based on the impact of ARS, maintaining customer service levels, and meeting the goals of the 2004 Business Plan.
- CSS will continue to evaluate existing programs and implement processes for more efficient and effective programs and business practices.

027 - DEPARTMENT OF CHILD SUPPORT SERVICES

Summary of Proposed Budget by Revenue and Expense Category:

Revenues/Appropriations	FY 2002-2003 Actual	FY 2003-2004 Budget As of 3/31/04	FY 2003-2004 Projected ⁽¹⁾ At 6/30/04	FY 2004-2005 Recommended	Change from FY 2003-2004 Projected	
					Amount	Percent
Intergovernmental Revenues	\$ 57,702,724	\$ 57,883,566	\$ 55,771,571	\$ 55,850,602	\$ 79,031	0.14%
Charges For Services	73,499	65,000	50,000	65,000	15,000	30.00
Miscellaneous Revenues	31,421	1,000,000	25,000	1,025,745	1,000,745	4,002.98
Total Revenues	57,807,644	58,948,566	55,846,571	56,941,347	1,094,776	1.96
Salaries & Benefits	41,005,816	41,129,831	41,504,866	42,022,992	518,126	1.25
Services & Supplies	14,213,853	15,901,527	12,362,616	13,264,415	901,799	7.29
Other Charges	7,400	4,108,360	3,808,263	4,300,059	491,796	12.91
Fixed Assets	307,889	308,848	262,159	45,000	(217,159)	-82.83
Intrafund Transfers	(49,500)	0	0	0	0	0.00
Total Requirements	55,485,459	61,448,566	57,937,904	59,632,466	1,694,562	2.92
Net County Cost	\$ (2,322,185)	\$ 2,500,000	\$ 2,091,333	\$ 2,691,119	\$ 599,786	28.68%

(1) Requirements include prior year encumbrances and expenditures. Therefore, the above totals may not match FY 2003-2004 projected requirements included in "At a Glance" (Which exclude these).